

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 994**  
**94TH GENERAL ASSEMBLY**

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Reported from the Special Committee on General Laws April 29, 2008 with recommendation that House Committee Substitute for Senate Committee Substitute for Senate Bill No. 994 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

4440L.04C

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**AN ACT**

To repeal sections 165.111 and 169.010, RSMo, and to enact in lieu thereof two new sections relating to compensation for education personnel, with a penalty provision and with an emergency clause for a certain section.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 165.111 and 169.010, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 165.111 and 169.010, to read as follows:

165.111. 1. The school board of each district, for any year for which it does not cause  
2 an audit to be performed by October thirty-first after the close of the school year, shall make and  
3 publish, not later than September first, in some newspaper as described in section 493.050,  
4 RSMo, published in the school district, and if there is none then in some newspaper of general  
5 circulation within the district, a statement of all receipts of school moneys, when and from what  
6 source derived, and all expenditures, and on what account; also, the present indebtedness of the  
7 district and its nature, and the rate of taxation for all purposes for the year. The statement shall  
8 be duly attested by the president and secretary of the board, and the secretary shall forward a  
9 copy to the state board of education on forms prescribed by the board.

10       2. **The school board of each district for any given year shall provide a full detailed**  
11 **financial statement that will include the names and total compensation packages of, and**  
12 **any expenses made by or on behalf of, the district's superintendent, and all assistant**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

13 **superintendents. If consultants are hired for administrative duties, the district shall**  
14 **publish the total compensation package of each consultant, and the disclosure shall be**  
15 **made separate for each individual administrator. The disclosure shall include whether**  
16 **incentives under sections 168.710, 168.714, 168.716, and 168.720, RSMo, are available or**  
17 **used. The statement shall be forwarded to the department of elementary and secondary**  
18 **education, and all the information included in the statement required under this subsection**  
19 **shall be published on the department's Internet web site.**

20 **3. For purposes of subsection 2 of this section, "total compensation package"**  
21 **includes, but is not limited to, base salary, retirement benefits, dues and club memberships,**  
22 **housing and auto allowances, entertainment allowances, cell phone or personal digital**  
23 **assistant and service contract, deferred compensation, buy-out clause,**  
24 **pay-for-performance goals, donations from school foundations, and any other valuable**  
25 **consideration provided as cash, credit, or services as a result of employment, expressed in**  
26 **dollars.**

27 **4. The state board of education shall not release the state aid apportioned to the district**  
28 **for the next ensuing school year until a copy of the required statement has been received at its**  
29 **office in Jefferson City and has been approved by it. Any school board which fails, refuses or**  
30 **neglects to order the statement to be made, and any officer of the board who fails, refuses, or**  
31 **neglects to prepare, publish and forward the statement, as required by this section, when ordered**  
32 **by the board, is guilty of a misdemeanor and punishable by a fine not to exceed one hundred**  
33 **dollars. Annual or biennial audit summaries shall be published according to section 165.121.**

169.010. The following words and phrases, as used in sections 169.010 to 169.130,  
2 unless a different meaning is plainly required by the context, shall have the following meanings:

3 (1) "Accumulated contributions" shall mean the sum of the annual contributions a  
4 member has made to the retirement system through deductions from the member's salary, plus  
5 interest compounded annually on each year's contributions from the end of the school year  
6 during which such contributions were made;

7 (2) "Board" shall mean the board of trustees provided for in sections 169.010 to 169.130;

8 (3) "Creditable service" shall mean prior service or membership service, or the sum of  
9 the two, if the member has both to the member's credit;

10 (4) "District" shall mean public school, as herein defined;

11 (5) "Employ" shall have a meaning agreeable with that herein given to employer and  
12 employee;

13 (6) "Employee" shall be synonymous with the term "teacher" as the same is herein  
14 defined;

15 (7) "Employer" shall mean the district that makes payment directly to the teacher or  
16 employee for such person's services;

17 (8) "Final average salary" shall mean the total compensation payable to a member for  
18 any three consecutive years of creditable service, as elected by the member, divided by  
19 thirty-six; with the proviso that any annual compensation entering into the total compensation  
20 shall not exceed twelve thousand six hundred dollars for any year prior to July 1, 1967; and with  
21 the proviso that the board may set a maximum percentage of increase in annual compensation  
22 from one year to the next in the final average salary period. In no instance shall the maximum  
23 percentage of increase in annual compensation from one year to the next in the final average  
24 salary period exceed ten percent **for the superintendent of schools or other certified central**  
25 **office personnel of a school district or twenty percent for any other member.** This limit will  
26 not apply to increases due to bonafide changes in position or employer increases required by  
27 state statute, or districtwide salary schedule adjustments for previously unrecognized  
28 education-related services;

29 (9) "Member" shall mean a person who holds membership in the retirement system;

30 (10) "Membership service" shall mean service rendered by a member of the retirement  
31 system after the system becomes operative, and may include a period of service in the armed  
32 forces of the United States as provided for in section 169.055;

33 (11) "Prior service" shall mean service rendered by a member of the retirement system  
34 before the system becomes operative, and may include service rendered by a member of the  
35 armed forces if the member was a teacher at the time the member was inducted, for which credit  
36 has been approved by the board of trustees;

37 (12) "Public school" shall mean any school conducted within the state under the  
38 authority and supervision of a duly elected district or city or town board of directors or board  
39 of education and the board of regents of the several state teachers' colleges, or state colleges,  
40 board of trustees of the public school retirement system of Missouri, and also the state of  
41 Missouri and each county thereof, to the extent that the state and the several counties are  
42 employers of teachers as herein designated;

43 (13) "Retirement allowance" shall mean a monthly payment for life during retirement;

44 (14) "Retirement system" or "system" shall mean the public school retirement system  
45 of Missouri created by sections 169.010 to 169.130;

46 (15) "Salary", "salary rate" or "compensation" shall mean the regular remuneration,  
47 including any payments made pursuant to sections 168.500 to 168.515, RSMo, which is earned  
48 by a member as an employee of a district, but not including employer-paid fringe benefits except  
49 the value of employer-paid medical benefits (including dental and vision) for members, and not  
50 including employer-paid medical benefits (including dental and vision) for anyone other than  
51 the member, employer contributions to any deferred compensation plan, consideration for  
52 agreeing to terminate employment or other nonrecurring or unusual payments that are not a part

53 of regular remuneration. The board by its rules may further define salary, salary rate and  
54 compensation in a manner consistent with this definition and with sections 169.010 to 169.141;

55 (16) "School year" shall mean the year from July first of one year to June thirtieth of  
56 next year, inclusive, which shall also be the fiscal year of the system;

57 (17) "Teacher" shall mean any person who shall be employed by any public school on  
58 a full-time basis and who shall be duly certificated under the law governing the certification of  
59 teachers; any person employed in the state department of elementary and secondary education  
60 or by the state board of education on a full-time basis who shall be duly certificated under the  
61 law governing the certification of teachers and who did not become a member of the Missouri  
62 state employees' retirement system pursuant to section 104.342, RSMo; and persons employed  
63 by the board of trustees of the public school retirement system of Missouri on a full-time basis  
64 who shall be duly certified under the law governing the certification of teachers. The term  
65 "teacher" shall be synonymous with the term "employee" as defined in this section.

66 Section B. Because immediate action is necessary to protect the financial security of  
67 Missouri teachers who plan to retire in the upcoming year, the repeal and reenactment of section  
68 169.010 of section A of this act is deemed necessary for the immediate preservation of the public  
69 health, welfare, peace and safety, and the repeal and reenactment of section 169.010 is hereby  
70 declared to be an emergency act within the meaning of the constitution, and the repeal and  
71 reenactment of section 169.010 of section A of this act shall be in full force and effect upon its  
72 passage and approval.

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